A3820
1975-1977

A3320

1975/76-
1976/77

IGSL

COUNTY OF LOS ANGELES

OFFICE OF THE AUDITOR-CONTROLLER

BIENNIAL REPORT

TO THE BOARD OF SUPERVISORS

FISCAL YEAR 1975-76 AND 1976-77

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

OCT 5 1977

UNIVERSITY OF CALIFORNIA

COUNTY OF LOS ANGELES

DEPARTMENT OF AUDITOR-CONTROLLER

525 HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-8301

RK H. BLOODGOOD
ITOR-CONTROLLER

THOMAS J. KOZLOWSKI
DANIEL O. IKEMOTO
ASSISTANT AUDITOR-CONTROLLERS

September 29, 1977

Honorable Board of Supervisors
County of Los Angeles
383 Hall of Administration

Gentlemen:

In compliance with the provisions of Section 77 of the Administrative Code, I am submitting my report of the activities of the Auditor-Controller's Office for the fiscal years 1975-76 and 1976-77.

The duties and responsibilities of the Auditor-Controller arise from provisions of the State Constitution, State laws, the County Charter, and various ordinances, resolutions and orders of the Board of Supervisors.

The Auditor-Controller not only serves the County and all districts under the control of your Honorable Board, but also all of the school districts within the County, the Flood Control District, and all of the Sanitation Districts.

A description of departmental activities, a summary of two of the major departmental goals achieved during the two years and comparative statistics are included in this report.

Sincerely yours,

Mark H. Bloodgood

MARK H. BLOODGOOD
AUDITOR-CONTROLLER

MHB:em

A3820
1975/76-
1976/77

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
109 PHILOSOPHY HALL
UNIVERSITY OF CALIFORNIA
BERKELEY, CA 94720

BIENNIAL REPORT
AUDITOR-CONTROLLER
FISCAL YEARS 1975-76 AND 1976-77

ACTIVITIES BY DIVISION

The Office of the Auditor-Controller services County departments, special districts and school districts in a variety of ways through six divisions:

Accounting Division: Maintains centralized accounting records and exercises accounting control over all financial transactions of the County, school districts and special districts. Compiles and publishes Proposed and Final Budgets, Taxpayers' Guide, Statement of Bonded Indebtedness, Annual Report of Financial Transactions; and maintains accounting control over receipts, licenses and permits, and all real and personal property owned by the County.

Audit Division: Conducts post-audits, makes cost studies and special surveys; processes, audits and makes collections on franchises, concessions and oil royalty contracts.

Disbursements Division

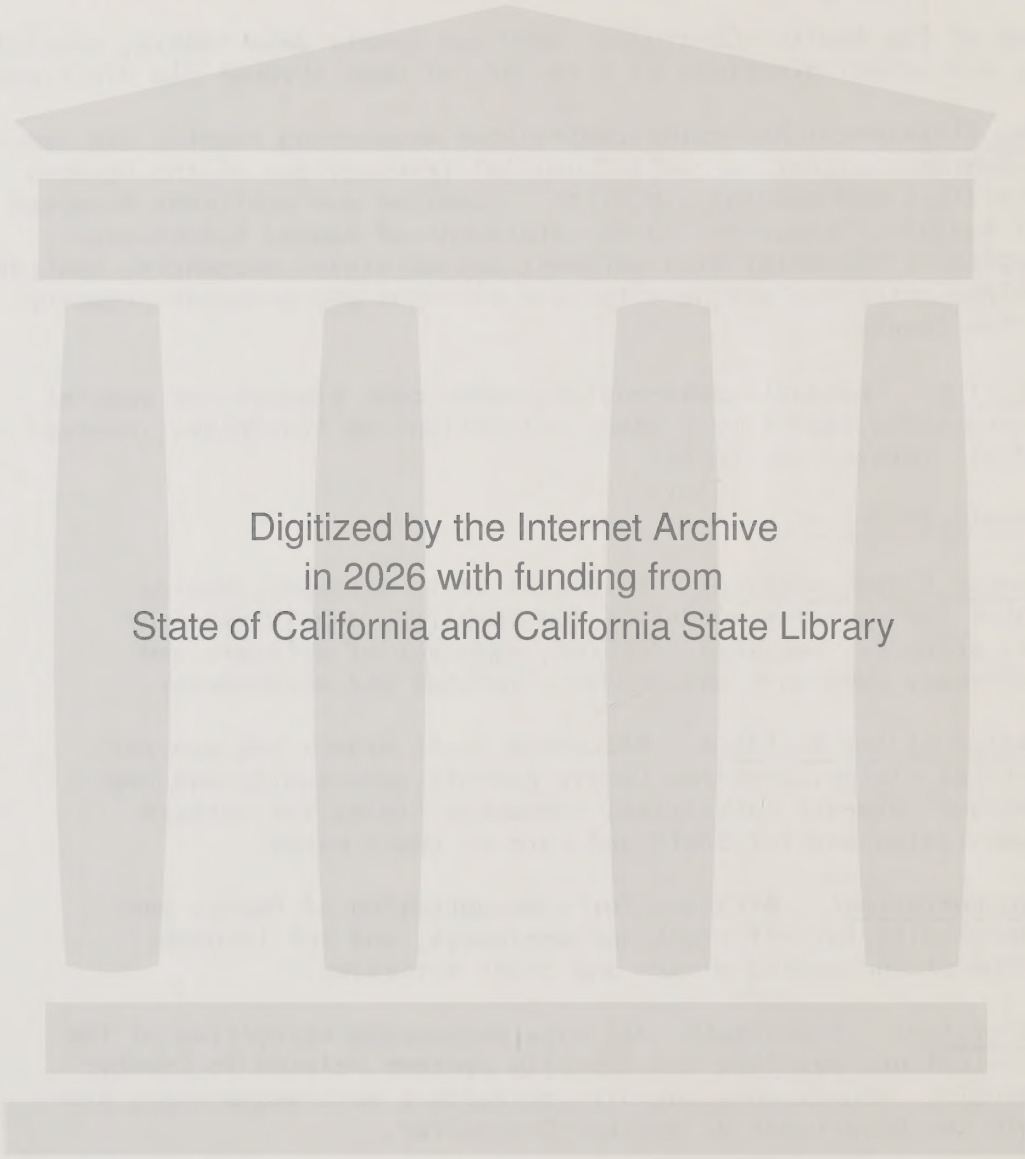
General Claims Section: Maintains trust accounts, audits claims and pays for materials and supplies, acquisitions of real property, services rendered, expenses of officers and employees, judgments and damages, refunds and assessments.

Special Claims Section: Processes court orders and special district claims; prepares County payroll; pre-audits and pays bond and interest maturities; processes claims for workers compensation and for board and care of court wards.

Transportation: Arranges for transportation of County and special district officials and employees, and for transportation of indigents, minors and court witnesses.

Systems Division: Coordinates all data processing activities of the Auditor-Controller; develops and installs systems related to County-wide accounting records and controls; conducts a work measurement program within the Department of Auditor-Controller.

Tax Division: Checks and certifies assessed valuation, extends tax rates and makes charges against the Tax Collector, processes tax refunds and cancellations, provides accounting control over funds to be allocated to Community Redevelopment Agencies.



Digitized by the Internet Archive
in 2026 with funding from
State of California and California State Library

https://archive.org/details/igsl_biennial-report-la-cty-auditor_1977

Welfare Financial Services Division: Issues and accounts for all warrants for welfare including aid to dependent children, the indigent and payments to vendors who supply goods or services to welfare recipients; investigates and institutes action for collection of forged and duplicate County warrants.

ACCOMPLISHMENTS - Doing More With Less

Productivity

The Auditor-Controller has been utilizing work standards in the department since 1966 through a group performance and control system (GPC). This program has been developed and maintained for the department by staff in the Systems Division. The program has been very successful in not only enabling the department to cope with increasing workloads, but also in actually reducing staffing levels. As a direct result of the installation of work standards in the various divisions of the department, staffing has been reduced by a total of 58 positions. By a combination of reducing staffing and increasing productivity to offset workload increases, the cumulative savings to the department were $2,049,329 through June 30, 1977.

As of June 30, 1977 the Auditor-Controller had 260 measured positions with over 600 different work standards. Approximately 30 measurable positions have not yet been included in this program. As time and resources allow, work standards will be developed for these positions which will result in further productivity gains in the department.

Professionalism

The professional image of an organization is normally reflected in several activities: the quality of internal training presented to employees, the interest and ability of employees in qualifying for professional certificates in their vocational field, and employee participation in professional organizations. Significant advancements have been made by the staff in the Audit Division during the last two years.

Internal Training: All staff members participate in a formal ten-day training program. Class subjects range from audit workpaper techniques to supervision and written communications. Several neighboring counties are either sending their employees or using our class outlines to design their own classes. Additional classes are currently being planned for presentation to supervising employees. These in-house classes are supplemented by a limited budget for seminars presented by local educational organizations.

Professional Certificates: The two professional certificates relevant to accounting and auditing are the Certificate in Internal Auditing (CIA) and the Certificate in Public Accounting (CPA).

CIA Certificate: This is a relatively new professional designation. Candidates must pass a rigorous two-day exam and have three-years of internal audit experience. Eight staff members currently have CIA certificates, and four others are 75% qualified.

CPA Certificate: This certificate is primarily issued to employees of public accounting firms. Applicants are required to pass a rigorous three-day exam and must have two years of public accounting experience. Most internal audit organizations, particularly governmental, cannot meet the work experience required by the California State Board of Accountancy.

Recently, however, the California State Board of Accountancy reviewed the work of the Audit Division, and subsequently issued qualification criteria for a CPA certification for Audit Division employees. Under the new criteria staff members working in selected work assignments can qualify for a CPA certificate within two years, which is the same time frame specified for public accounting employees. This is a major step in the upgrading of the image of governmental auditors in the State of California.

The division currently has two CPAs, 12 staff members completing their work experience requirement, and eight more members who have passed portions of the CPA examination.

Professional Organization: Audit Division staff members are active participants in the California Society of Certified Public Accountants, EDP Auditors Association, Institute of Internal Auditors and California Municipal Finance Association. Membership fees and the cost of attending meetings are being borne by the participants.

WORKLOAD

The number of warrants drawn is the best over-all measure of the workload processed by this office. During 1975-76, we issued 12,986,267 warrants, and in 1976-77, we issued 13,251,092 warrants, an increase of 2.0%.

Over the past ten years, workload increased 40% while budgeted positions increased only 9% as shown on the following page.

	1966-67	Report Period 1975-76	1976-77	% Change (10 Years)
Warrants Issued:				
Bonds	5,151	8,396	8,137	58.0
General	453,591	544,984	511,035	12.7
Payroll	1,465,056	2,372,363	2,269,070	54.9
Retirement	112,776	216,864	237,824	110.9
Special	1,074,147	812,523	899,903	(-16.2)
Schools	2,219,634	3,650,520	3,735,257	68.3
Welfare	4,149,010	5,380,617	5,589,866	34.7
Total Warrants	9,479,365	12,986,267	13,251,092	39.8
Auditor-Controller Budgeted Positions	479.0	531.4	523.5	9.3

REVENUE

The major items of revenue for which this department prepares a budget estimate are collections of Penalties and Costs on Delinquent Taxes, Franchises, Aircraft Assessments, Rents and Concessions, and State In-Lieu Taxes. The revenue received by our office for the report periods was as follows:

	1975-76	1976-77
General Fund	$14,015,410	$14,272,705

EXPENDITURES

Expenditures of our office for the two fiscal years were as follows:

	1975-76	1976-77
Salaries and Employee Benefits	$ 6,992,091	$ 6,383,469
Services and Supplies	3,314,345	4,145,377
Fixed Assets	21,904	11,114
Total Expenditures - Gross	$10,328,340	$10,539,960
Less Costs Applied	163,572	226,783
Total Expenditures - Net	$10,164,768	$10,313,177

U.C. BERKELEY LIBRARIES
C123330888

AUDIT DIVISION

DEPARTMENT OF AUDITOR-CONTROLLER

LOS ANGELES COUNTY, CALIFORNIA

University of California, Berkeley
Institute of Governmental Studies
Library

Biennial report to the Board of
Supervisors fiscal year / County
of Los Angeles Office of the
Auditor-Controller.

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
109 PHILOSOPHY HALL
UNIVERSITY OF CALIFORNIA
BERKELEY, CA 94720

76C708F—(REV. 7-65) 5/73